GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

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Virtual Network Operators
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Telecom Commission has accepted the telecom regulators" recommendation to permit Virtual Network Operators in the country;

(b) if so, the details thereof and its implications;

(c) whether Virtual Network Operators do not own telecom infrastructure and spectrum but can offer various services to users by entering into an agreement with existing service providers;

(d) if so, the details thereof; and

(e) whether the Government has given its approval on the said recommendation and if so, the details thereof ?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)

(a) & (b) Yes, Madam. The Telecom Commission has accepted the telecom regulators' recommendation to permit Virtual Network Operators in the country. Companies that provide telecom services without necessarily owning network infrastructure - within a licensing framework and allow them to offer voice, data and video services are known as Virtual Network Operators. The VNOs shall not own spectrum. VNO rely on the network of other telecom companies to provide services to consumers. Many network service operators have unutilised capacity in certain rural areas. VNOs can provide services in these areas using the network of existing Network Service Operators (NSOs) having unutilized capacity or by last mile connectivity. VNOs can be effective for delivery of service in airports or buildings or in smart cities. In these structural defined areas, the planning and development takes a long time, hence it is not practical for TSPs to plan and lay their infrastructure in such areas. A developer of such areas may therefore become a VNO and lay the infrastructure which can be connected to a Network Service Operator's network. Further, there are several organisations, which want to make their areas Wi-Fi enabled like Indian railways & Delhi city. So if they are allowed to become VNOs, then they can provide services according to the needs of customers and design innovative tariff plans to suit customers' needs. Cable TV operators can also act like a VNO and provide cable TV, Broadband and voice services. Guidelines are being framed.

(c) to (e) Virtual Network Operators may own infrastructure, if required and parent to its Network Service Operator (NSO) but shall not own spectrum and will not interconnect to other NSOs. The said recommendations are under consideration in the Government.